GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4108
ANSWERED ON:09.12.2016
Liberalized Remittance Scheme
Sundaram Shri P.R.

Will the Minister of FINANCE be pleased to state:

4108: SHRI P.R. SUNDARAM
Will the Minister of FINANCE be pleased to state:
(a) whether the Government has increased the slab under the Liberalized Remittance Scheme (LRS) from $75,000 to $2,50,000 in a financial year for a permissible set of current or capital account transactions;
(b) if so, the details thereof and the reasons therefor;
(c) the total amount transacted to various countries in the last three years and current year, country-wise; and
(d) whether the Government has adequate forex reserves to combat the new LRS regime and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)
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(a) to (b): The slab under the Liberalised Remittance Scheme (LRS) has been revised from $75,000 to $2,50,000 in stages, from August 2013 to June 2015, for permissible set of current and capital account transactions The LRS was introduced on February 4, 2004 as a step towards liberalization of the foreign exchange facilities to resident individuals. Over the years, this limit has been revised in stages keeping in view the various macro & micro economic conditions of the economy.
(c): Total amount transacted under LRS during the last three years and the current year is as follows:
Amount in USD million
2013-14 2014-15 2015-16 2016-17(till Oct'16)
1,093.9 1,325.8 4,642.6 4760.68
RBI does not maintain country wise data for remittances under LRS
(d): The current level of foreign exchange reserves (USD 367,157 million as reported in RBI Bulletin dated November 10, 2016) is considered adequate to support LRS regime.
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